

# **EXHIBIT 11**

**SURGE COMIC PROPERTIES, INC.  
399 WEST JOHN STREET  
HICKSVILLE, NEW YORK 11801  
516-939-2225 Fax 516-942-8613**

June 6, 2008

John Cooney, President  
Lone Star Virtual Systems, Inc.  
16121 N Eldridge Parkway  
Suite #5  
Tomball, Texas 77377

Re: MMOG Licensing Agreement between Palladium Books, (Owner), Surge Comic Properties, Inc. (Licensor) and Lone Star Virtual Systems (Licensee), for "RIFTS" (the Property)..

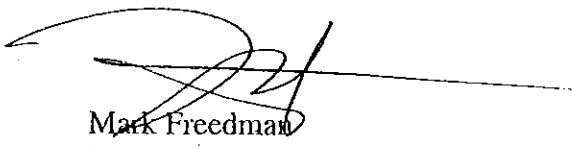
Dear John:

Enclosed please find a fully executed original agreement covering RIFTS for the development of an MMOG.

For purposes of clarification, please note that Palladium is prepared to begin assisting Lone Star in the development of the story arc, character dialog, game concept, artwork etc. subject to its receipt of [REDACTED] representing one-eighth of the [REDACTED] fee provided for in the agreement. Please let me know when you make the payment so that Palladium can begin.

You and I discussed holding off on the negotiating of the long form agreement as you informed me that you have not secured a substantial amount of your financing as of yet. Please let me know when this occurs so we can begin the legal work of a long form agreement.

Sincerely,



Mark Freedman  
President

*forwarded  
mailed  
6/6/08*

ORIGINAL

**SURGE COMIC PROPERTIES, INC.  
399 WEST JOHN STREET  
HICKSVILLE, NEW YORK 11801  
516-939-2225 Fax 516-942-8613**

February 27, 2008

John Cooney, President  
Lone Star Virtual Systems, Inc.  
16121 N Eldridge Parkway  
Suite #5  
Tomball, Texas 77377

Re: MMOG Licensing Agreement between Palladium Books, (Owner), Surge Comic Properties, Inc. (Licensor) and Lone Star Virtual Systems (Licensee), for "RIFTS" (the Property)..

Dear John:

This letter when signed by the above named parties will acknowledge that all of the terms and conditions set forth in the "Outline of Licensing Agreement", attached hereto and made a part of this letter agreement, will be incorporated into a long form Licensing Agreement for a Rifts MMOG, to be entered into between the parties.

The parties agree that it is their intention to complete and sign the long form License Agreement no later than April 30, 2008. However, until such time as the long form Agreement is signed by all the parties, this Letter Agreement and the terms and conditions set forth in the attached "Outline of Licensing Agreement" shall serve as the MMOG License Agreement between the parties and remain in full force and effect until superseded by a fully executed long form Agreement.

Upon the signing of this Letter Agreement Lone Star shall deliver to Surge Comic Properties, Inc. a check in the amount of [REDACTED] representing the "non-refundable" advance against royalties as set forth in the terms of the "outline". All dates for additional required calendar payments as set forth in the "outline" shall be calculated as of a start date of May 1, 2008.

In the event there is any dispute between the parties as to the meaning of the terms of this letter or the attached outline, then the parties agree that the laws and Courts of the State of ~~New York~~ will be the agreed to venue for such disputes.

Michigan (PC)

FS




If the above meets with your approval, kindly acknowledge by your signature below, and by initialing and dating each page of the outline. Please forward the signed letter agreement and attached outline along with a check in the amount of [REDACTED] payable to Surge Comic Properties, Inc. Upon my receipt of same I will forward counter signed copies of this letter agreement and outline to you.

I look forward to a smooth and successful relationship.

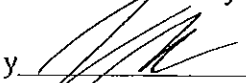
Sincerely yours,

Surge Comic Properties, Inc

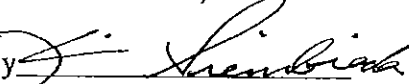
By   
Mark Freedman, President  
Dated: 2/28/08

AGREED TO AND ACCEPTED BY:

Lone Star Visual Systems,

By   
John Cooney, President  
Dated: 3-27-08

Palladium Books, Inc.

By   
Kevin Siembieda, President  
Dated: 5-14-2008